

Fund X

6-25-04

EMPLOYER TRUSTEES

Stephen Leibowitz
John Calcagno
Boyd Adelman
Robert F. Burke
Van Ayvazian
Mark Hirschorn
Jack Squicciarini

UNION TRUSTEES

John Troccoli
Richard Abondolo
Michael Maren

Lisa Rossi, Fund Administrator, Andrew John Calcagno, Fund Counsel
John Maloney, Maloney & Associates, Third Party Administrator
Joseph Reinhardt, Berdon, LLP
Howard Schulman, Berdon, LLP
Jeff Endick, Esq., Special Counsel
Lisa O'Leary

This meeting was called to order on June 25, 2004 at 11:00 am. At the last Trustee Meeting, there was a request of whether the \$25 call is necessary

Howard Schulman: Preliminary Figures. The Fund lost \$300,000 as of Dec 31

Based on the \$300,000 lost.

\$1,800,000 deficient

John Maloney: If we run this year, we will have lost by the end of the year, we would have lost \$1,800,000.

Based upon the first six (6) months, if we get the \$25 retroactive to January 04, we will loss \$1,000,000.

If

Projection: We need the \$25 call.

If this is the real year, and get \$25 now and an extra \$50 in contributions next year, which will be an additional \$3,000,000 coming in. In addition, we may need to increase another \$25 call.

In addition, you must take into consideration the trends and health care claims.

John Troccoli: Two Questions: What is our monthly reserves now.

The current reserve as of June 2004 is approximately 3 months. In addition, we most likely lost money over the last six (6) months. We have just about a 3 month reserve and spending roughly \$20,000,000/year.

John Maloney: There is no question that we need the \$25 call to prevent slipping into a greater deficient.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Howard Schulman: We should be around the \$4,000,000 reserve, which is less than the 3 month reserve.

We are also getting a \$50 increase in contributions in 2005.

[REDACTED]

MOTION TO ADOPT A \$25 CALL TO EFFECTIVE AS OF JULY 1, 2004

SECONDED, APPROVED, EFFECTIVE JULY 1, 2004, APPROVED.

NOTICE TO BE GIVEN TO THE EMPLOYERS FOR THE PURPOSE OF THE \$25 CALL.

HOWARD SCHULMAN, JOSEPH REINHARDT AND JOHN MALONEY EXITED THE MEETING.



UFCW Local 174
Affiliated Trust Funds

540 WEST 48TH STREET • NEW YORK, NEW YORK 10036-1130 • 212 307-7007

l. Rossi

June 29, 2004

Re: \$25 Call Due Under the Collective Bargaining Agreement

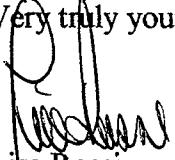
Dear Employer:

Pursuant to the Collective Bargaining Agreement entered into between Local 342 and the Employer, the Employer agreed to contribute an additional \$25 (a "\$25 Call") in health care contributions per month to the UFCW Local 174 Health Care Fund (the "Fund"); provided it is deemed necessary by the Consultants to the Fund.

In that regard, a meeting of the Board of Trustees to the Fund was held on June 25, 2004 to discuss, among other things, the Consultants' reports and opinions, requesting the \$25 Call. After analyzing the reports and after conferring with Fund Counsel and Special Counsel to the Fund, the Board of Trustees unanimously voted and approved the \$25 Call, which shall be effective July 1, 2004.

Based upon the following, the Employer's contributions to the Fund shall be increased by \$25 effective July 1, 2004. Of course, if you have any questions concerning the above, please feel free to contact me. Thank you for your assistance and cooperation in this matter.

Very truly yours,


Lisa Rossi
Fund Administrator

LR/mo

